

## **PROBLEMS OF DEVELOPMENT OF HOTEL BUSINESS IN RUSSIA**

**Kritskiy V.U.**

**Supervisor: Melnichenko K.A.**

*Siberian federal university*

The hotel business is one of the most dynamically developing directions of business today.

Analysis of the hotel business of Russia has allowed to reveal that the development of this sector is currently at the primary level in comparison with other countries. This is a result a lot of problems:

- Low professionalism of employees;
- The absence of a culture of service in Russian hotels, which do not allow to sell services effectively;
- The problem of classification;
- Unhealthy competition;
- Insufficient number of hotels that meet international standards;
- Many cities lack cheap hotels.

In Russia the total number of workers employed in the hotel industry is approximately 147.2 thousand). The average number of employees serving one hotel is 19 persons. The greatest number of staff typical for hotels and capable of servicing foreign citizens is 152 persons, and the lowest for private hotels is from 10 to 15 people.

The total revenue of Russian hospitality market in the year is estimated at \$1.7-2 billion, and the growth rate is 20-25% per year.

The hotel business is actively developing in several Russian cities (Moscow, St. Petersburg, Ekaterinburg, Krasnoyarsk). This is caused by the strengthening of economic, cultural and business links with other cities and States.

In Russia there are about 200 higher educational institutions for specialists in hotel business. But today their training is insufficient and does not meet world standards.

In Russia the majority of training sessions, unfortunately, are theoretical. Therefore, a student who received a specialty of a hotel employee, in most cases, a for can not find a job long time due to the lack of experience, which is so important for the employer. This problem is already solved quite easily abroad: 60-70% of classes in the preparation of a hotel employee are practical, 30-40% are theoretical respectively. Thus the specialists trained abroad 3-4 months annually devote to practice in actually operating hotels or through the simulation auditee training of real situations arising while servicing customers. This gives the student upon the graduation a great advantage and confidence in themselves and in their abilities to work, and the employer the warranty of quality of services provided in the hotel.

In Russia there is four the voluntary certification system of accommodations:

- The system of voluntary certification of services activities and recreational resources in Odintsovsky trade and industrial chamber. This system evaluates:
  - A) the Quality of accommodation is denoted by stars in circles from «no star to 5 stars
  - B) The quality of natural recreation areas is denoted by categories D to A
- The system of voluntary certification of sanatorium-wellness services of All-Russian research Institute for classification, terminology and information on standardization and quality (VNIKI). It assigns categories from 1 to 4 stars
- The system of voluntary certification of the services of hotels and other accommodations in the category of the Gosstandart of Russia. In the system assigned grades from 1 to 5 stars.
- The system of voluntary certification of services of hotels forming VNIKI (registered in 2001). The system assignees a grades from 1 to 5 stars.

This creates a problem of classification, because if a hotel or other accommodation in the requested category is not confirmed in a system, you may apply to another. Currently, the Government offered for consideration a single project for the classification of accommodation means. The owners of the largest hotels and hotel chains offer to classify the accommodation of guests and tourists with 1 to 5 stars, with the aim of bringing all of the hotels on the territory of the Russian Federation in compliance with the established standards.

The competitiveness of the hotel is influenced by many factors: the number of rooms, location, its stardom, specialization, infrastructure, material and technical basis, the average cost of rooms, the number of personnel, the presence of nearby attractions and much more.

However, all these factors are not significant. For true success an institution needs fresh ideas. For the discussion of the various innovations, exchange of experience, various owners Association of hotels and other lodging was organized. At a certain time in a certain place representatives and owners of hotels, motels going for the implementation of the above objectives, but not all accommodation facilities are willing to participate, and perhaps become partners. In this lies the problem: Russian competition is dishonest, unhealthy, because accommodation facilities are reluctant to contact each other.

There is a lack of economy-class hotels. People come for business, they need cheap rooms. Demand for them is very high. But most of the new hotels have got three stars and above. Rooms of the economy-class take only about 10% of the local market, about the same, take the rooms of a class premium-class, the remaining 80% are the hotel of middle and upper middle class.

The main consumers of hotel services are tourists and businessmen, whose share is 70% of the total volume. In this regard, most hotels will provide additional services: conference-halls, rooms for negotiations, computer, fax, translation services, booking of tickets, meeting at the airport, spa centers, laundries, dry cleaning.

The opening of new hotels and upgrades of the existing, involvement of professionals in the management and the emergence of healthy competition on the market are important in the development of the hotel business in modern Russia. This should lead to a high level of service and a normal level of prices.

The hotel business is a very complex, fast-growing system, require more professionals and all a great investment in its organization. But remember that it depends on the state of the economy of the state as a whole.

In Russia, in recent years we have seen a positive dynamics of the economy development. In this regard, the inflow of tourists, businessmen increased in various areas of the country. This was the reason for the renewal of the old, the construction of many new hotels, hotels, motels. Also on the market of hotel services there appeared many new areas of accommodation, such as hotels in apartments. The rest becomes available for people with average incomes.

Foreign experts who examine the condition of the Russian market of services was noted that Russia, like many other States passed a hard way in the development of this sector of the economy. But much remains to be done: to extend and deepen specialization; to improve the quality and prices of the offered services, namely to present them to the client in equal proportions; build a lot of the new accommodation, instead of the old; and establish and implement a host of original ideas; make clean and healthy competition through the creation and extension of communications between the various hotels and hotel chains.

Meanwhile, Russian analysts believe that in coming years the flow of tourists to our country will increase by more than 30%. Probably they are right, because in February and March 2014 Olympiad was held in Sochi, which attracted a huge flow of foreign fans who may wish to come here again, and, therefore, potential tourists.

## List of literature

1. Walker D. Introduction to hospitality. Translate from English. - M: UNITY, 1999.
2. Magazine "Tourist industry", №5 (74), April 2006, 80 C., Art. "Russian hotels will receive the national "stars", the author Anastasia Gracheva.
3. Zorin I.V., Kvartalnov V.A. Encyclopedia of tourism: a Handbook. - M: Finance and statistics, 2003.